GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA

UNSTARRED QUESTION NO:1205
ANSWERED ON:02.08.2006
PURCHASE OF STATIONERY ITEMS
Jha Shri Raghunath

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether the ministry invited tenders for the purchase of stationery and general items during 2005-06 and 2006-07 with the stipulation that "the Ministry is not bound to accept the lowest rate and reserves the right to reject any/all offers without any reason"

(b) if so, the details thereof;

(c) whether this stipulation is in consonance with the CVC guidelines;

(d) if so, the details thereof;

(e) whether the said tenders have not yet been finalized till date and the goods are being purchased at L-1 rates other than L-1 tenderer;

(f) if so, the reasons therefor together with the details of the rates received in tenders and the details of the purchases made at L-1 rates;

(g) the steps taken to strictly follow the CVC guidelines and to scrap the practice of purchasing items at L-1 rates than L-1 tenderers and the action proposed to be taken against the officials for violating CVC guidelines; and

(h) if not, the reasons therefor including the reasons for not publishing the rates on ministry's website?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH & FAMILY WELFARE (SMT. PANABAKA LAKSHMI)

(a) to (h) :- Yes, Sir. Till July, 2005, the procurement of stationery and general items was through approved Govt.outlets, viz., Kendriya Bhandar/ NCCF. With the implementation of new General Financial Rules, 2005, (GFR) there was no provision for any preference for purchase of stationery items through these outlets. Hence, these were required to be purchased on competitive basis as per the procedure laid down in the New GFR. Accordingly, the Department invited open tender in January, 2006. Fifteen agencies had responded. On evaluation it was found that all the 15 agencies were lowest tenderers for one item or the other out of about 340 items, implying fragmented supplies through multiple sources. It was also observed that there was very wide variation in the cost quoted in respect of same item. It was, therefore, extremely difficult to proceed with the proposal further as it would have caused great administrative problems. It was, therefore, decided to call for limited tender by grouping the items of stationery and other general items from the agencies who were already supplying the items to other Government Department. A committee was also formed to suggest a procedure for procurement. The limited tenders were called in May, 2006. Based on the quotation received from 8 agencies and on its evaluation, 4 agencies were found to be lowest tenderers (L-1). An analysis of the rates of few major items quoted by lowest tenderers and the rates at which this Department had been procuring these items through NCCF shows that the rates approved now are lower. These rates are also comparable with the rates at which another Government Department is procuring. The orders for supplying of these items have accordingly been placed on these lowest tenderers after the concurrence of Internal Finance Division. The name of agencies has also been put on the Ministry's website as per the provisions contained in General Financial Rules.

Hence, every care has been taken to follow the provisions of the General Financial Rules and the guidelines of the CVC.